

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|-------------------------|---|---------------------|
| NOTICE OF GAS COST |) | |
| ADJUSTMENT FILING OF |) | CASE NO. 2003-00505 |
| MILLENNIUM ENERGY, INC. |) | |

ORDER

On December 2, 1999, in Case No. 1999-00312, the Commission approved rates for Millennium Energy, Inc. ("Millennium") and provided for their further adjustment in accordance with Millennium's gas cost adjustment ("GCA") clause.

On December 31, 2003, Millennium filed its proposed GCA to be effective February 1, 2004.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Millennium's notice includes revised rates designed to pass on to its customers its expected change in gas costs.
2. Millennium's expected gas cost ("EGC") is \$5.6212 per Mcf, which is an increase of .03 cent per Mcf from its previous EGC of \$5.6209.
3. Millennium's notice sets out no refund adjustment.
4. Millennium's notice sets a current quarter actual adjustment ("AA") of 17.78 cents per Mcf. Millennium's total AA is \$1.0612 per Mcf, which is 14.02 cents per Mcf more than the previous total AA.

5. Millennium's notice sets out a current quarter balance adjustment ("BA") of 4.94 cents per Mcf. Millennium's total BA is (7.19) cents per Mcf, which is 3.7 cents per Mcf more than the previous total BA.

6. Millennium's GCA is \$6.6105 per Mcf, which is 17.75 cents per Mcf more than the previous rate of \$6.4330.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for service rendered by Millennium on and after February 1, 2004.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for service rendered on and after February 1, 2004.

2. Within 20 days of the date of this Order, Millennium shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 28th day of January, 2004.

By the Commission

ATTEST:

Depnty *Wm H. I. Barker*
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00505 DATED January 28, 2004

The following rates and charges are prescribed for the customers served by Millennium Energy, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Residential

| | <u>Base Rate</u> | <u>Gas Cost Recovery Rate</u> | <u>Total</u> |
|-----------------|------------------|---------------------------------------|--------------|
| Customer Charge | \$6.00 | | \$6.00 |
| All Mcf | \$4.00 | \$6.6105 | \$10.6105 |

Commercial and Industrial

| | | | |
|-----------------|---------|----------|----------|
| Customer Charge | \$20.00 | | \$20.00 |
| All Mcf | \$ 3.00 | \$6.6105 | \$9.6105 |